

## Message Text

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ORIGIN EB-07

INFO OCT-01 NEA-09 ISO-00 FEA-01 ERDA-05 AID-05 CEA-01

CIAE-00 CIEP-01 COME-00 DODE-00 FPC-01 H-02 INR-07

INT-05 L-02 NSAE-00 NSC-05 OMB-01 PM-03 USIA-06

SAM-01 OES-03 SP-02 SS-15 STR-04 TRSE-00 FRB-03 /090 R

DRAFTED BY EB/IFD/OIA:RJSMITH

APPROVED BY EB/IFD/OIA:RJSMITH

NEA/ARP:SBUCK

NEA/RA:HMMONTGOMERY

CIEP:JNIEHUSS

----- 071918

P 082253Z MAY 75

FM SECSTATE WASHDC

TO AMEMBASSY JIDDA PRIORITY

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E.O. 11652: N/A

TAGS: EIND, EINV, ENRG, SA

SUBJECT: PROPOSED SAUDI ARABIAN JOINT VENTURE WITH U.S.  
FIRM, FINDUSTRY INTERNATIONAL, INC. FOR THE PURPOSE OF  
PURCHASING TIDEWATER OIL

1. THE ORGANIZERS OF FINDUSTRY, ARTHUR A FLETCHER, MAURICE A. DAWKINS, AND GEORGE L. VAUGHN, JR., MET WITH STAFF LEVEL REPRESENTATIVES OF STATE, TREASURY, DEFENSE, FEA, NSC, AND CIEP ON MAY 6. THE MEETING WAS HELD AT THE REQUEST OF FINDUSTRY IN ORDER FOR THEM TO EXPLAIN THEIR PLANS FOR PURCHASING THE ASSETS OF TIDEWATER OIL WHICH HAVE BEEN ORDERED DIVESTED AS A RESULT OF THE FINDINGS IN THE ANTI-TRUST CASE AGAINST PHILLIPS PETROLEUM COMPANY.

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2. FINDUSTRY CLAIMS IT HAS BEEN DISCUSSING FINANCIAL

ARRANGEMENTS WITH GOVERNMENT CONNECTED SAUDI LENDERS,  
INCLUDING SHEIK KAMAL ADHAM AND FIRST ARABIA CORPORATION  
WHO HAVE EXPRESSED WILLINGNESS TO MAKE UP TO DOLS  
500,000,000 AVAILABLE IN RETURN FOR PREFERRED STOCK OR  
CONVERTIBLE DEBENTURES, OR IN FORM OF LOAN SET UP THROUGH  
DEPOSIT ARRANGEMENT WITH THE BANK OF AMERICA.

3. FLETCHER OF FINDUSTRY SAYS HE EXPECTS SHEIK KAMAL ADHAM  
TO VISIT AMBASSADOR TO CONFIRM SAUDI INTENTIONS IN THIS

MATTER.

4. REQUEST EMBASSY REPORT ANY INFORMATION RE SAUDI  
INTENTIONS WITH REGARD THIS INVESTMENT WHICH MAY COME TO  
ITS ATTENTION FROM SHEIK KAMAL ADHAM OR ANY OTHER SOURCE.

5. IF INFORMATION RECEIVED FROM FINDUSTRY IS CORRECT,  
THIS WOULD APPEAR TO BE KIND OF INVESTMENT ON WHICH USG  
WOULD EXPECT ADVANCE CONSULTATIONS WITH FOREIGN GOVERN-  
MENT CONCERNED. FINDUSTRY WAS, OF COURSE, GIVEN NO  
INDICATION OF POSITION USG MIGHT EVENTUALLY TAKE ON THIS  
INVESTMENT. KISSINGER

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** FOREIGN INVESTMENT, PETROLEUM, JOINT VENTURES  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 08 MAY 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** woolflhd  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1975STATE107988  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** RJSMITH  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
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**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
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**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
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**Review Authority:** woolflhd  
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**Review Date:** 20 AUG 2003  
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**TAGS:** EIND, EINV, ENRG, SA, (FLETCHER, ARTHUR A)  
**To:** JIDDA  
**Type:** TE  
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